ORDINANCE NO. 95- 19

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA AMENDING ORDINANCE 87-11 WHICH IS ENTITLED THE "PALM BEACH COUNTY INVESTMENT ORDINANCE", AS AMENDED BY ORDINANCE 93-25 AND ORDINANCE 94-25, BY AMENDING THE LIST OF ELIGIBLE SECURITIES IN WHICH COUNTY FUNDS MAY BE INVESTED; BY AMENDING THE MEMBERSHIP OF THE INVESTMENT POLICY COMMITTEE TO INCLUDE THE PALM BEACH COUNTY SHERIFF OR HIS DESIGNEE; PROVIDING FOR REPEAL OF LAWS IN CONFLICT; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN THE CODE OF LAWS AND ORDINANCES; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Palm Beach County Board of County Commissioners adopted Ordinance 87-11, as amended by Ordinance 93-25 and Ordinance 94-25, in order to establish the framework for formalized investment policy, build flexibility into the County's investment program and provide for increased revenues; and

WHEREAS, the Investment Policy Committee has recommended the that the ability to invest County funds in certain securities should be amended and that the Palm Beach County Sheriff or his designee be added as a seventh voting member of the Investment Policy Committee.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:

SECTION 1: Section 3 of Ordinance 87-11, as amended by Ordinance 93-25 and Ordinance 94-25, is hereby amended to read as follows:

SECTION 3: County funds may be invested at the then prevailing market price for such securities in the following:

a.) The Local Government Surplus Funds Trust Fund;

b.) Negotiable direct obligations of, or obligations, the principal and interest of which are unconditionally guaranteed by the United States Government at the then prevailing market price for such securities;

c.) Non-negotiable interest bearing time certificates of deposits or savings accounts in banks organized under the laws of this state, in national banks organized under the laws of the United States and doing business and situated in this state, in savings and loan associations which are under state supervision, or in federal savings and loan associations located in this state and organized under federal law in federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law; or

d.) Bankers acceptances which are eligible for purchase by the Federal Reserve System; or

e.) Prime commercial paper. For the purpose of this section, "prime" commercial paper shall be defined as that commercial paper which has received a Standard and Poors rating of at least A-1 or a Moody's rating of at least Prime-1; or

f.) Interest-bearing obligations with a fixed maturity of any corporation within the United States, if such obligations are rated by at least two nationally recognized rating services in any one of the two highest classifications approved by the Comptroller of the Currency for the investment of the funds of national banks.

g.) Obligations of the Federal Farm Credit Banks, Federal Home Loan Mortgage Corporation, or Federal Home Loan Bank or its district banks, including Federal Home Loan Mortgage Corporation participation certificates, or obligations guaranteed by the Government National Mortgage Association.

h.) Obligations of the Federal National Mortgage Association, including Federal National Mortgage Association participation certificates and mortgage passthrough certificates guaranteed by the Federal National Mortgage Association.

i.) Shares of funds created by the Florida Counties Investment Trust or shares or interests in other investment trust authorized by Florida law for investment by municipalities or counties.

j.) Investments in any securities authorized by Sections 3b., 3g., and 3h. may be under repurchase agreements.

k.) Shares of any no-load money market mutual fund ("MMMF") registered with the Securities and Exchange Commission under the Investment Company Act of 1940, the shares of which are registered under the Securities Act of 1933, which is rated in the highest rating category of a Nationally Recognized Statistical Rating Organization (NRSRO), and the portfolio of which is limited to:

1) Direct obligations of the United States Government or any agency or instrumentality thereof. Investment in CMOs, REMICS, or other derivative securities are prohibited.

2) Repurchase agreements fully collateralized by United States Government obligations, provided such MMMF takes delivery of such collateral either directly or through an authorized third party custodian.

SECTION 2: Section 9 of Ordinance 87-11 is hereby amended to read as follows:

SECTION 9: The Palm Beach County Investment Policy Committee is created as follows:

a. The Committee shall be comprised of seven (7) voting members, five members appointed by and serving at the pleasure of the majority of the Board of County Commissioners, a member of the Office of Financial Management and Budget selected by the County Administrator, and the Palm Beach County Sheriff or his designee as the seventh voting member.

b. Members of the Committee shall be appointed with the following backgrounds and serve an initial term as set forth, thereafter all terms shall be two (2) years.

i. A member of the Office of Financial Management and Budget selected by the County Administrator (1 year).

ii. A member of the investment banking community or securities community with five (5) years direct investment experience and present investment management responsibility (1 year).

iii. A current member of the Board of County Commissioners, who shall serve as chairperson and decide all tie votes (2 years).

iv. A member of the public with substantial investment experience (2 years).

v. A local banker with a minimum of five (5) years direct investment experience and present investment management responsibility (1 year).

vi. A local banker with a minimum of five (5) years direct investment experience and present investment management responsibility (2 years).

vii. The Palm Beach County Sheriff or his designee.

c. The Committee and the Clerk shall develop written policies in accordance with Section 5, which shall serve as guidelines for use in the investment of County funds and shall evaluate the effectiveness of the policies and investment practices of the County. The Committee shall meet quarterly or at the call of the chairperson.

SECTION 3: REPEAL OF LAWS IN CONFLICT:

All local laws and ordinances in conflict with any provision of this ordinance are hereby repealed.

SECTION 4. SEVERABILITY: If any section, paragraph, sentence, clause, phrase or word of this Ordinance is found unconstitutional, inoperative or void, such holding shall not affect the remainder of this Ordinance.

SECTION 5. INCLUSION IN THE CODE OF LAWS & ORDINANCES: The provisions of this Ordinance shall become and be made a part of the Code of Laws and Ordinances of Palm Beach County, Florida. The sections of this Ordinance may be renumbered, or relettered to accomplish such and the word "ordinance" may be changed to "section," "article" or such other appropriate word.

SECTION 6. EFFECTIVE DATE: This Ordinance shall be effective upon receipt of acknowledgement from the Department of State, State of Florida.

APPROVED AND ADOPTED by the Board of County Commissioners of Palm Beach County, Florida, on the 16th day of May, 1995.

DOROTHY H. WILKEN, CLERK
Board of County Commissioners
By
DEPUTY CLERK

PALM BEACH COUNTY, FLORIDA, BY ITS
BOARD OF COUNTY COMMISSIONERS

By Ken Foster
Chair

APPROVED AS TO FORM &
LEGAL SUFFICIENCY

By Paul F.
County Attorney

Acknowledgement by the Department of State, State of Florida, on this the 26th day of May, 1995.

EFFECTIVE DATE: ACKNOWLEDGEMENT FROM THE DEPARTMENT OF STATE, RECEIVED ON THE 1st DAY OF June, 1995, AT 12:37 ~~A.M.~~/P.M., AND FILED IN THE OFFICE OF THE CLERK OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA.

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PFK/mej 4/26/95

STATE OF FLORIDA, COUNTY OF PALM BEACH
I, DOROTHY H. WILKEN, ex-officio Clerk of the Board of County Commissioners certify this to be a true and correct copy of the original filed in my office on 5/16/95
DATED at West Palm Beach, FL on 6/5/95
DOROTHY H. WILKEN, Clerk
By: Phyllis A. House D.C.